



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

VIA FACSIMILE AND FIRST-CLASS MAIL

July 16, 1999

Frederic D. Woocher, Esq.
Strumwasser & Woocher
100 Wilshire Blvd., Suite 1900
Santa Monica, CA 90401

RE: MUR 4742

Dear Mr. Woocher:

Thank you for the production of documents and answers to the interrogatory questions pursuant to the Commission's Subpoenas and Orders of May 4, 1999, which we received on July 6, 1999. In addition to answering the specific questions and requests in the subpoena, the answers and documents supplied by your clients addressed most of the issues identified in the Factual and Legal Analyses sent to your clients previously. However, we have some follow-up questions which we would like you and your clients to address.

Please be assured that all information provided by your clients will remain confidential until this matter is closed, and that after this matter is closed all information exempted from public disclosure by the Freedom of Information Act will remain confidential. Specifically, any business records provided by Mr. Remer that fall under the proprietary information or trade secret exemptions will not go on the public record. If you have questions about this Office's policies regarding public disclosure of business records, please call me.

First, the joint response of Messrs. Vargas and Remer and Ms. Liebergot asserts that the retainer provided for in the contract between Mr. Remer/The Primacy Group and the State Committee was consistent with "prevailing fees charged 'in the industry.'" We note that Mr. Remer has other clients who appear to have been candidates for city council in San Diego. Please provide the consulting contracts between Mr. Remer and these clients so that we may compare the retainer with Mr. Vargas' state committee with the retainer for Mr. Remer's other similarly situated clients.

Second, Mr. Remer identified several candidates who owe debts to the Primacy Group in response to questions 15.c. and 17.c. of the interrogatories directed to Primacy. Please state how long these debts have been outstanding, particularly the debts owed by "Dan Baker for Council" and "Bartell for Council." Please describe the debt-repayment plan worked out between these

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entities and Mr. Remer, if any, describe how repayment of these debts progressed during the repayment period, and how much of each debt has been repaid.

Third, please describe with more specificity what measures are being taken toward the repayment of Vargas for Congress '96's debt to Mr. Remer. Please describe the progress so far with the repayment of this debt.

Finally, please explain the circumstances surrounding Mr. Remer and his wife's contribution of \$2,000, total, to Vargas for Congress '96 in November, 1998, and why this contribution was immediately used to pay down a loan that Councilman Vargas had made to the federal committee, rather than other debts.

Although we cannot guarantee that these will be the last follow-up questions posed to your clients, we share your desire to resolve this matter as expeditiously as possible. Please answer these questions as soon as possible, and no later than Friday, July 30, 1999. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

A handwritten signature in black ink, appearing to read "Seth H. Row", followed by a horizontal line extending to the right.

Seth H. Row
Attorney

21 "04" 403 "1824